

ASX Announcement | 10 August 2023  
Althea Group Holdings (ASX:AGH)

## Peaks signs contract extension with Electric Brands Inc.

*Estimated volume of at least 1.12 million cannabis beverage units per annum*

### Highlights:

- Under the agreement, EBI agrees to purchase cannabis-infused beverage products from Peak for distribution into the Canadian adult-use cannabis market
- EBI's range of cannabis beverages currently have annualised sales of approximately 1.12 million units per annum (excluding future growth)
- The extended contract term with EBI is 2.5 years
- The Canadian cannabis beverage product category is expected to be worth CAD\$134.4 million in 2023

10 August 2023: **Althea Group Holdings Limited (ASX:AGH) ('AGH', or 'the Company')**, a global leader in the manufacturing, sales and distribution of cannabis-based medicines and recreational cannabis products, is pleased to announce that its wholly owned subsidiary, Peak Processing Solutions (**'Peak'**), has signed a Contract Manufacturing Agreement (**'CMA'**) extension with Electric Brands Inc. (**'EBI'**) for a further 2.5 years.

### Existing brand with significant market share

Under the CMA extension, EBI agrees to purchase from Peak, and Peak agrees to sell to EBI in accordance with an accepted Purchase Order, cannabis-infused beverage products, which have been manufactured by Peak.

EBI's existing suite of cannabis beverages includes Sweet Justice, its hallmark brand of Twisted Classics & Vibrant Sips.

The Sweet Justice range of cannabis-infused beverages are currently available in Ontario, British Columbia, Alberta and Saskatchewan, with expansion into Quebec, Manitoba and the Yukon, imminent. Sweet Justice is also available in the State of Michigan.

In the first six months of 2023, EBI shipped approximately 560,000 cannabis beverage units, and has established Sweet Justice as a leading independent brand with strong market share of the product category.

Based on these assumptions, EBI's existing range of cannabis beverages have annualised sales of approximately CAD\$5.4 million (excluding future growth).



The Canadian adult-use cannabis market is expected to be worth CAD\$6.4 billion in 2023<sup>1</sup>, with the cannabis beverage product category representing 2.1%, or approximately CAD\$134.4 million, of the total market<sup>2</sup>.

**Image: EBI's range of cannabis-infused beverages include Sweet Justice OG Cola and Cherry Cola**



**Electric Brands Inc. Director, Eric Frape said:** “We are excited to continue our great working relationship with Peak Processing Solutions. Their team have been instrumental in helping develop Sweet Justice into one of the Canadian adult use markets leading brands and are the perfect manufacturing partners in our space.”

**Peak Managing Director, Barry Katzman said:** “We are very pleased to be extending our partnership with Electric Brands and their renowned brand, Sweet Justice. We have grown side-by-side with EBI as their unique flavours, branding and extensive experience in the beverage sector have made them one of the largest and most sought-after brands in Canada. This exemplifies Peaks mission to continue to be the most trusted, best-in-class 3rd party solution provider to the global cannabis industry.”

**-ENDS-**

*Authorised by: Robert Meissner, Company Secretary*

<sup>1</sup> <https://blog.brightfieldgroup.com/cannabis-trends-in-canada-2023#:~:text=As%20a%20whole%2C%20the%20Canadian%20cannabis%20market%20is,with%20the%20biggest%20markets%20being%20Ontario%20and%20Alberta>

<sup>2</sup> <https://cannabisretailer.ca/2022/trends-in-cannabis-beverages/>

**For further information, please contact:**

**Althea Group Holdings Ltd**  
**Joshua Fegan**  
CEO & Managing Director  
**M:** 1300 70 20 20  
**E:** [contact@althea.life](mailto:contact@althea.life)

**Media & Investor Enquiries**  
Media & Investor Relations  
**P:** +613 9650 5096  
**E:** [investors@althea.life](mailto:investors@althea.life)

**Althea Group Holdings Limited (ASX:AGH)**

Althea Group Holdings Ltd ('AGH') is a global leader in the manufacturing, sales and distribution of cannabis-based medicines and recreational cannabis products. AGH services these sectors via two distinct business units. Althea, the company's pharmaceutical business, offers a comprehensive range of cannabis-based medicines which are made available to patients via prescription. Peak Processing Solutions, AGH's recreational cannabis business, produces legal cannabis products purchased by adult consumers in retail stores.

AGH operates in highly regulated and legal cannabis markets across the world with burgeoning operations in Europe, North America, Australia and Africa.

To learn more about Althea Group Holdings, please visit: [www.altheagroupholdings.com](http://www.altheagroupholdings.com)

For more information on Peak, please visit: [www.peakprocessing.com](http://www.peakprocessing.com)

For more information on Althea, please visit: [www.althea.life](http://www.althea.life)

